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 Debtors in Possession

# **UNITED STATES BANKRUPTCY COURT**

## **DISTRICT OF NEVADA**

In re:  
**THE RHODES COMPANIES, LLC, aka**  
**"Rhodes Homes," et al.,<sup>1</sup>**  
**Debtors.**

Case No.: BK-S-09-14814-LBR  
 (Jointly Administered)

Chapter 11

Affects:

☒ All Debtors  
☐ Affects the following Debtor(s)

Hearing Date: August 28, 2009  
 Hearing Time: 1:30 p.m.  
 Courtroom 1

<sup>1</sup> The Debtors in these cases, along with their case numbers are: Heritage Land Company, LLC (Case No. 09-14778); The Rhodes Companies, LLC (Case No. 09-14814); Tribes Holdings, LLC (Case No. 09-14817); Apache Framing, LLC (Case No. 09-14818); Geronimo Plumbing LLC (Case No. 09-14820); Gung-Ho Concrete LLC (Case No. 09-14822); Bravo, Inc. (Case No. 09-14825); Elkhorn Partners, A Nevada Limited Partnership (Case No. 09-14828); Six Feathers Holdings, LLC (Case No. 09-14833); Elkhorn Investments, Inc. (Case No. 09-14837); Jarupa, LLC (Case No. 09-14839); Rhodes Realty, Inc. (Case No. 09-14841); C & J Holdings, Inc. (Case No. 09-14843); Rhodes Ranch General Partnership (Case No. 09-14844); Rhodes Design and Development Corporation (Case No. 09-14846); Parcel 20, LLC (Case No. 09-14848); Tuscany Acquisitions IV, LLC (Case No. 09-14849); Tuscany Acquisitions III, LLC (Case No. 09-14850); Tuscany Acquisitions II, LLC (Case No. 09-14852); Tuscany Acquisitions, LLC (Case No. 09-14853); Rhodes Ranch Golf Country Club, LLC (Case No. 09-14854); Overflow, LP (Case No. 09-14856); Wallboard, LP (Case No. 09-14858); Jackknife, LP (Case No. 09-14860); Batcave, LP (Case No. 09-14861); Chalkline, LP (Case No. 09-14862); Glynda, LP (Case No. 09-14865); Tick, LP (Case No. 09-14866); Rhodes Arizona Properties, LLC (Case No. 09-14868); Rhodes Homes Arizona, L.L.C. (Case No. 09-14882); Tuscany Golf Country Club, LLC (Case No. 09-14884); and Pinnacle Grading, LLC (Case No. 09-14887).

**DEBTORS' MOTION FOR AN ORDER ESTABLISHING  
PROCEDURES TO SELL NON-CORE ASSETS;  
DECLARATION OF PAUL D. HUYGENS IN SUPPORT THEREOF**

The above-captioned debtors and debtors in possession (the "Debtors") hereby move (the "Motion") this Court for an Order pursuant to sections 105 and 363 of the Bankruptcy Code authorizing and approving procedures by which the Debtors may consummate the sales of certain non-core assets free and clear of liens, claims and encumbrances, and without the need for further Court approval. A copy of the proposed order approving this Motion is attached hereto as **Exhibit A**.

**I.**

**STATEMENT OF FACTS**

**A. General Background**

1. On March 31, 2009, the above-captioned Debtors, except Tuscany Golf Country Club, LLC, Pinnacle Grading, LLC, and Rhodes Homes Arizona, LLC (the "Secondary Filers"), filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code"). On April 1, 2009, the Secondary Filers filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code. The Debtors are continuing in possession of their property and are operating and managing their businesses, as debtors in possession, pursuant to sections 1107 and 1108 of the Bankruptcy Code.

**B. The Non-Core Assets**

2. The Debtors own certain excess, unused and/or underutilized assets (the "Non-Core Assets") that are no longer necessary for the Debtors' homebuilding operations, including: (a) undeveloped land which the Debtors do not intend to develop (the "Raw Land"); (b) heavy machinery (the "Heavy Machinery"); and (c) various vehicles, equipment and other personal property related to homebuilding activities (the "Surplus Equipment"). In order to generate cash and streamline their operations by discarding assets which are either unproductive or nonessential to their ongoing business operations, the Debtors desire to sell the Non-Core Assets. In order to effect such sales in the most economic manner, the Debtors have determined in their business judgment that it is in the best interests of the estates to establish streamlined sales

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1 procedures for the Non-Core Assets. A preliminary, noncomprehensive list of the Non-Core  
2 Assets is attached hereto as **Exhibit B**.

3 3. The Debtors shall determine the sales price and terms of the Non-Core Assets  
4 pursuant to the exercise of the Debtors' business judgment. As provided in further detail below,  
5 the first step in the proposed procedures is that the Debtors obtain the approval of the First Lien  
6 Steering Committee. Without the approval of the First Lien Steering Committee, which  
7 represents lenders that have first priority liens on substantially all of the Debtors' assets, any  
8 proposed sale will not be authorized.

9 4. Sales pursuant to this Motion will be relatively small in comparison to the value  
10 of the Debtors' total assets. Requiring Court approval of each such transaction would be  
11 administratively burdensome to the Court and costly to the Debtors' estates, especially when  
12 viewed in the context of the relative size of the transactions. Moreover, the Debtors believe that  
13 the usual sale process pursuant to Bankruptcy Code § 363(b) may hinder the Debtors' ability to  
14 take advantage of sale opportunities that may be available only for a limited time. Therefore, in  
15 order to minimize the burdens and costs, the Debtors hereby seek the approval of the procedures  
16 described herein regarding the sale of Non-Core Assets falling within the described parameters  
17 (the "Non-Core Assets Sales Procedures"). The Debtors propose to use the Non-Core Assets  
18 Sales Procedures to obtain more expeditious and cost-effective review by interested parties, in  
19 lieu of Court approval, of the types of transactions described below.

20 5. The Debtors further seek Court authority to sell the Non-Core Assets on a  
21 piecemeal or bulk basis to prospective buyers that, in the Debtors' business judgment, have made  
22 the Debtors a reasonable offer for the purchase of any portion of the Non-Core Assets.

23 6. The Debtors believe that selling the Non-Core Assets in the manner proposed by  
24 this Motion is the most cost-effective way to maximize the value of the Non-Core Assets and  
25 will serve to enhance the value of the estates as well as to provide an accounting of such sales to  
26 parties in interest. The relief requested herein is thus in the best interests of the Debtors' estates,  
27 their creditors and other parties in interest because the proposed procedures are the most efficient  
28 and economical means by which to sell the Non-Core Assets.

7. The Debtors submit that the sale of Non-Core Assets is in the ordinary course of the Debtors' business as a homebuilder. The Debtors have a practice of selling Non-Core Assets once it becomes clear that it is no longer economically beneficial to own or maintain the Non-Core Assets. Accordingly, the Debtors are seeking to sell Non-Core Assets in the ordinary course of business outside of the scope of this Motion and without need for Court approval pursuant to section 363(b) of the Bankruptcy Code. If the Court believes, however, that the sale of the Non-Core Assets is outside of the Debtors' ordinary course of business, then the Debtors seek to sell the Non-Core Assets pursuant to the Non-Core Assets Sales Procedures, as provided below, and pursuant to section 363(b) in an abundance of caution.

#### **The Proposed Non-Core Assets Sales Procedures**

##### *Transactions to Which the Sales Procedures Will Apply*

8. The Non-Core Assets Sales Procedures will apply to transactions involving proposed sales prices of (a) \$1,000,000 or less for Raw Land; (b) \$250,000 or less for any item of Heavy Machinery; and (c) \$50,000 or less for any item of Surplus Equipment. For any proposed sale of Non-Core Assets above these limits, the Debtors will file a separate motion upon notice with this Court.

##### *Approval of the First Lien Steering Committee*

9. After the Debtors receive an offer or a proposed contract contemplating a transaction that is subject to the Non-Core Assets Sales Procedures (a "Proposed Transaction"), and if the Debtors desire to accept such offer or proposed contract, the Debtors shall provide notice of the Proposed Transaction to counsel for the First Lien Steering Committee (the "Transaction Notice"). The Debtors shall consult with the financial advisors for the First Lien Steering Committee, Winchester Carlisle Partners ("WCP"), on any Proposed Transaction and provide the First Lien Steering Committee any diligence reasonably requested in connection with a Proposed Transaction.

10. The Transaction Notice will include the following information regarding the Proposed Transaction:

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- (a) A description of the Non-Core Asset that is the subject of the Proposed Transaction and its location;
- (b) The identity of the non-debtor party or parties to the Proposed Transaction and any relationships of the party or parties with the Debtors;
- (c) The identities of any parties holding liens on or other interests in the Non-Core Asset;
- (d) A copy of the sale contract, if applicable, and a summary of the major economic terms and conditions of the Proposed Transaction;
- (e) The executory contracts and unexpired leases, if any, that the Debtors propose to assume and assign in connection with the Proposed Transaction and the related cure amounts that the Debtors propose with respect to each such contract or lease;
- (f) Any costs to be charged against the sale proceeds; and
- (g) Instructions consistent with the procedures set forth below regarding potential objections to the Proposed Transaction. In addition, the Debtors will provide copies of any appraisals if available or other essential information concerning the value of the Non-Core Asset that is the subject of the Proposed Transaction.

11. If the First Lien Steering Committee, through WCP, does not approve the Proposed Transaction, then the Debtors will not be authorized to consummate the Proposed Transaction pursuant to this Motion. If the First Lien Steering Committee, through WCP, approves the Proposed Transaction, then the Debtors shall provide notice of the sale transaction to the other notice parties, as provided below.

*Notice and Opportunity to Object*

12. If the First Lien Steering Committee approves the Proposed Transaction, the Debtors will serve a Transaction Notice by overnight service, telecopier or electronic mail upon (a) the Office of the United States Trustee (the “U.S. Trustee”), (b) counsel to the Agent for the First Lien Lenders, (c) counsel to the Agent for the Second Lien Lenders, (d) counsel to the Unsecured Creditors’ Committee, (e) counsel to the First Lien Steering Committee; (f) all parties holding (or, to the Debtors’ knowledge, asserting) liens on, or other interests in, the Non-Core

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Assets that are the subject of the Proposed Transaction (the “Lienholders” and each a “Lienholder”), and, if applicable, (g) the nondebtor parties to all executory contracts and unexpired leases that the Debtors propose to assume and assign in connection with the Proposed Transaction (collectively, the “Interested Parties”).

13. Interested Parties will have ten (10) days from service of the Transaction Notice (the “Notice Period”) to object to the Proposed Transaction, pursuant to the objection procedures herein. If no objections are filed prior to the expiration of the Notice Period, the Interested Parties, including the Lienholders, by their silence will be deemed to have consented to the Proposed Transaction and such Proposed Transaction, including the assumption and assignment of executory contracts and unexpired leases in connection with the Proposed Transaction, will be deemed final and fully authorized by the Court, at which time the Debtors may proceed to consummate such sale. Furthermore, to the extent deemed appropriate or advisable to assist in the closing of any Proposed Transaction, the Debtors may submit an order or series of orders authorizing the sale of any or all of the sales and/or assumption and assignment of executory contracts in connection thereto (even though the requirement of any such orders is waived); provided, that any proposed order shall be reviewed and the terms thereof approved by counsel to the First Lien Steering Committee.

14. Further, the Debtors may consummate a Proposed Transaction prior to expiration of the applicable Notice Period if the Debtors obtain written consent to the Proposed Transaction from counsel to the Agent for the First Lien Lenders and counsel to the Agent for the Second Lien Lenders.

15. Any objections to a Proposed Transaction must be (a) in writing, (b) state with specificity the ground for objection, and (c) served by overnight, telecopier or electronic mail on the Interested Parties and counsel to the Debtors so as to be received prior to the expiration of the Notice Period. If an objection to a Proposed Transaction is properly filed and served, then the Proposed Transaction may not proceed absent (a) withdrawal of the objection or (b) entry of an order of the Court specifically approving the Proposed Transaction. If an objection is timely filed and served, the objecting party and the Debtors, with the consent of the First Lien Steering

Committee, shall attempt to resolve the objection on a consensual basis. If the parties are unable to reach a resolution of the objection, the Debtors may seek to have the Proposed Transaction adjudicated and approved by the Court at the an omnibus hearing.

16. The Debtors also will send a Transaction Notice to any parties that the Debtors and WCP believe might be interested in purchasing the Non-Core Assets that are the subject of the Proposed Transaction for informational purposes.

#### *Effects of Sale*

17. All buyers will take Non-Core Assets sold by the Debtors pursuant to the Non-Core Assets Sales Procedures “as is” and “where is,” without any representation or warranties from the Debtors as to the quality or fitness of such assets for either their intended or any particular purposes. Buyers, however, will take title to the assets free and clear of liens, claims, encumbrances and other interests, pursuant to § 363(f) of the Bankruptcy Code.

18. Any existing liens, claims, encumbrances and other interests will attach to the net proceeds of any sale pursuant to the Non-Core Assets Sales Procedures. If there is a dispute regarding the validity or amount of a lien, claim, encumbrance or other interest, the amount of the sale proceeds in controversy shall be held in escrow pending the outcome of any necessary adversary proceeding to determine the validity and extent of any Lienholders’ claims, if any, or as otherwise ordered by this Court or agreed by the respective Lienholder and Debtors.

## **II.**

### **THE PROPOSED NON-CORE ASSETS SALES PROCEDURES ARE IN THE BEST INTEREST OF THE ESTATES**

The Debtors believe that the sale of the Non-Core Assets is in the ordinary course of business and pursuant to section 363(c) of the Bankruptcy Code, which provides that the Debtors may “enter into transactions, including the sale or lease of property of the estates, in the ordinary course of business without notice or a hearing. . . .” 11 U.S.C. § 363(c)(1). However, in an



1 abundance of caution, the Debtors also seek relief pursuant to section 363(b)(1) of the  
 2 Bankruptcy Code.<sup>2</sup>

3  
 4 Section 363(b)(1) of the Bankruptcy Code provides, in relevant part, that “the trustee,  
 5 after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business,  
 6 property of the estate.” 11 U.S.C. § 363(b)(1). A debtor’s decision to use, sell, or lease assets  
 7 outside the ordinary course of business must be based upon the sound business judgment of the  
 8 debtor. *See Chateaugay Corp.*, 973 F.2d 141, 143 (2d Cir. 1992) (holding that a judge  
 9 determining a section 363(b) application must find from the evidence presented before him a  
 10 good business reason to grant such application); *see also Meyers v. Martin (In re Martin)*, 91  
 11 F.3d 389, 395 (3d Cir. 1996); *In re Abbotts Dairies of Pennsylvania, Inc.*, 788 F.2d 143 (3d Cir.  
 12 1986); *Committee of Equity Sec. Holders v. Lionel Corp. (In re Lionel Corp.)*, 722 F.2d 1063,  
 13 1071 (2d Cir. 1983) (court may approve the sale of property outside of the ordinary course of  
 14 business where it finds a good business reason for such sale).

15  
 16 The business judgment rule is satisfied where “the directors of a corporation acted on an  
 17 informed basis, in good faith and in the honest belief that the action taken was in the best  
 18 interests of the company.” *Official Comm. of Subordinated Bondholders v. Integrated Res., Inc.*  
 19 (*In re Integrated Res., Inc.*), 147 B.R. 650, 656 (S.D.N.Y. 1992), *appeal dismissed*, 3 F.3d 49 (2d  
 20 Cir. 1993) (*quoting Smith v. Van Gorkom*, 488 A.2d 858, 872 (Del. 1985)). In fact, “[w]here the  
 21 debtor articulates a reasonable basis for its business decisions (as distinct from a decision made  
 22 arbitrarily or capriciously), courts will generally not entertain objections to the debtor’s  
 23 conduct.” *Committee of Asbestos-Related Litigants and/or Creditors v. Johns-Manville Corp. (In*  
 24  
 25  
 26  
 27

28 <sup>2</sup> The First Lien Steering Committee has not acknowledged that the sale of the Non-Core Assets is in the ordinary course of the Debtors’ business, but does not object to the Motion based on the Non-Core Assets Sales Procedures.



1 *re Johns-Manville Corp.*), 60 B.R. 612, 616 (Bankr. S.D.N.Y. 1986). Courts, absent a showing  
 2 of bad faith, self-interest, or gross negligence, will uphold a board's decisions as long as they are  
 3 attributable to any "rational business purpose." *In re Integrated Res. Inc.*, 147 B.R. at 656.  
 4

5 The Non-Core Assets Sales Procedures will expedite the flow of cash into the estates and  
 6 eliminate the need to prepare and prosecute motions and obtain express court approval of every  
 7 sale, which would be administratively burdensome to the Court and costly to the Debtors'  
 8 estates. In addition, the Non-Core Assets Sales Procedures will protect the Debtors against the  
 9 declining value of the Non-Core Assets, eliminate maintenance costs, eliminate certain  
 10 administrative costs, reduce professional fees, and expedite the sale of the Non-Core Assets for  
 11 the benefit of Debtors' estates and creditors. Most critically, as set forth above, the Debtors  
 12 believe that the sale of the Non-Core Assets in accordance with the Non-Core Assets Sales  
 13 Procedures is the most efficient and cost-effective way to maximize the value of the Non-Core  
 14 Assets while protecting the best interests of Debtors, their estates and their creditors.  
 15 Accordingly, a sale of the Non-Core Assets in accordance with the Non-Core Assets Sales  
 16 Procedures will be a benefit to the Debtors' estates and their creditors.  
 17  
 18  
 19

### 20 III.

#### 21 **THE NON-CORE ASSETS SALES PROCEDURES SATISFY THE REQUIREMENTS** 22 **OF SECTION 363(F) OF THE BANKRUPTCY CODE FOR A SALE FREE AND CLEAR** 23 **OF LIENS, CLAIMS, AND INTERESTS**

24 Section 363(f) of the Bankruptcy Code permits a debtor to sell property free and clear of  
 25 liens, claims, and encumbrances if one of the following conditions is satisfied: (a) applicable  
 26 non- bankruptcy law permits sale of the property free and clear of such interest, (b) the entity  
 27 holding the lien, claim or encumbrance consents to the proposed sale, (c) the interest is a lien and  
 28

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the price at which such property is to be sold is greater than the aggregate value of all liens on the property, (d) the interest is in bona fide dispute, or (e) the entity could be compelled, in a legal or equitable proceeding, to accept a money satisfaction of its interest. 11 U.S.C. § 363(f). *See Citicorp Homeowners Servs., Inc. v. Elliot (In re Elliot)*, 94 B.R. 343, 345 (E.D. Pa. 1988) (court may approve sale “free and clear” provided at least one of the subsections is met); *see also In re Dundee Equity Corp.*, No. 89-B-10233, 1992 WL 53743, at \*34 (Bankr. S.D.N.Y. 1992) (“Section 363(f) is in the disjunctive, such that the sale free of the interest concerned may occur if any one of the conditions of § 363(f) has been met.”).

The Debtors propose to sell or transfer the Non-Core Assets in a commercially reasonable manner and expect that the value of the proceeds from such sales or transfers will fairly reflect the value of the Non-Core Assets sold. The Debtors further propose that any party with a lien on any Non-Core Assets sold or transferred pursuant to this Motion shall have a corresponding security interest in the proceeds of such sale or transfer. If a Lienholder receives this Motion and does not object within the prescribed time period, the Lienholder will be deemed to have consented to the proposed sale and the property may then be sold free and clear of the holder’s interest pursuant to section 363(f) with any such liens to be, at the Debtors’ sole discretion, either (i) satisfied from the proceeds of the sale or (ii) transferred and attached to the net sale proceeds in the same order or priority that such liens had on the Non-Core Assets sold. As such, the Debtors submit that the requirements of section 363(f) of the Bankruptcy Code would be satisfied for any proposed sale or transfers free and clear of liens, claims, encumbrances and other interests by the Non-Core Assets Sale Procedures. Furthermore, in the event of any dispute, Lienholders have the right to request a hearing and the amounts in dispute shall be held in an escrow account pending resolution of the dispute.

In approving the sales of Non-Core Assets free and clear of liens, the Debtors request the Court find that those who purchase Non-Core Assets in accordance with the Sale Procedures are entitled to the protections afforded by section 363(m) of the Bankruptcy Code. This relief is appropriate in light of the opportunity for review and objection provided herein.

#### IV.

#### **THE PROPOSED NON-CORE ASSETS SALES PROCEDURES MEET THE STANDARDS OF SECTION 365 OF THE BANKRUPTCY CODE**

Section 365(a) of the Bankruptcy Code provides that a debtor in possession “subject to the court’s approval, may assume or reject any executory contract or unexpired lease of the debtor.” 11 U.S.C. § 365(a) (2004). Courts have uniformly deferred to the business judgment of a debtor to determine whether assumption and assignment of an unexpired lease is appropriate under section 365 (a) of the Bankruptcy Code. *See NLRB v. Bildisco & Bildisco*, 465 U.S. 513, 523 (1984); *Lubrizol Enterpr., Inc. v. Richmond Metal Finishers (In re Richmond Metal Finishers, Inc.)*, 756 F.2d 1043, 1046-47 (4th Cir. 1985); *In re Minges*, 602 F.2d 38, 42 (2d Cir. 1979); *In re Frank G. Lawson*, 146 B.R. 663, 664-65 (Bankr. E.D. Va. 1992). To the extent that sound business reasons justify the assumption and assignment of a particular unexpired lease in connection with a Proposed Sale, such actions should be approved.

#### V.

#### **THE PROPOSED NON-CORE ASSETS SALES PROCEDURES MEET DUE PROCESS REQUIREMENTS**

Bankruptcy Rule 2002(a)(2) requires that notice of a sales or lease motion be provided at least twenty days prior to the proposed use, “unless the court for cause shown shortens time or directs another method of giving notice.” Fed. R. Bankr. P. 2002(a)(2) (2004) (emphasis added);

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1 *see also* Fed. R. Bankr. P. 9006(c) (2004). These notice and hearing requirements of § 363(b)(1)  
 2 are met if the notice and opportunity for hearing that are given are appropriate in the particular  
 3 circumstances. *See* 11 U.S.C. § 102(1)(A) (2004) (defining “after notice and a hearing”).  
 4  
 5 Moreover, courts are authorized to limit notice of sales and uses of property outside of the  
 6 ordinary course of the debtor’s business, even without a prior showing of cause, to any official  
 7 committee appointed under § 1102 of the Bankruptcy Code and any creditor or equity holder  
 8 requesting notice. Fed. R. Bankr. P. 2002(i) (2004).  
 9

10 When determining whether notice is appropriate under the circumstances for purposes of  
 11 § 102(1)(A) of the Bankruptcy Code, it is “guided by fundamental notions of procedural due  
 12 process.” *In re Lomas Fin. Corp.*, 212 B.R. 46, 54 (Bankr. D. Del. 1997). Due process “requires  
 13 that any notice is ‘reasonably calculated, under all the circumstances, to apprise interested parties  
 14 of the pendency of the action and afford them an opportunity to present its objections’” *Id.*  
 15 (quoting *Mullane v. Central Hanover Bank & Trust Co.*, 339 U.S. 306, 314 (1950)); *In re Grand*  
 16 *Union Co.*, 204 B.R. 864, 871 (Bankr. D. Del. 1997).  
 17

18 In order to permit the timely purchase of the Non-Core Assets and to maximize such  
 19 value, the Debtors seek the adoption of the Non-Core Assets Sales Procedures. The Debtors  
 20 believe that these procedures will accommodate the orderly and timely consummation of such  
 21 transactions, and that under the circumstances the usual process of obtaining Court approval of  
 22 each transaction that would be the subject of the Non-Core Assets Sales Procedures will be  
 23 unnecessarily burdensome on the Court and the Debtors’ estates. Therefore, the Debtors propose  
 24 to streamline the process and shorten the applicable notice periods as proposed herein.  
 25  
 26

27 The Interested Parties represent the key parties in interest who should receive notice of  
 28 any Proposed Transaction, in light of (a) their duties relating to the Debtors’ chapter 11 cases

1 (the U.S. Trustee and the Committee), (b) their overriding economic interest in these cases (the  
2 First Lien Holders and the Second Lien Holders), (c) their direct interests in the Non-Core Assets  
3 (the Lienholders), or (d) their interests as contract parties (nondebtor parties to executory  
4 contracts and unexpired leases proposed to be assumed and assigned). The shortened notice  
5 provisions of the Non-Core Sales Procedure will make the transaction consummation process as  
6 efficient as possible, while preserving fully the rights of Interested Parties. Accordingly, the  
7 limiting of service of the Transaction Notices to the Interested Parties is justified under the  
8 circumstances.  
9  
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11 Moreover, sales outside the ordinary course of business may be authorized without an  
12 actual hearing if no party in interest timely requests an actual hearing. 11 U.S.C. § 102(1)(B)(i)  
13 (2004). As due process is satisfied if parties are given “an opportunity to present their  
14 objections,” *Mullane*, 339 U.S. at 314, the Debtors believe that the Non-Core Assets Sales  
15 Procedures complies with due process requirements by providing ample opportunity to present  
16 objections and request a hearing.  
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VI.

**CONCLUSION**

WHEREFORE, the Debtors respectfully request that the Court enter an order, substantially in the form attached hereto as Exhibit A: (i) authorizing the Debtors to sell certain individual Non-Core Assets in accordance with the Non-Core Sales Procedures outlined herein free and clear of liens, claims, and encumbrances; (ii) to the extent necessary authorizing the Debtors to assume and assign any unexpired executory contracts or leases in connection with a Proposed Transaction; (iii) reducing, if necessary, any notice period; and (iv) granting such other and further relief as the Court may deem proper.

**DATED** this 3<sup>rd</sup> day of August 2009.

LARSON & STEPHENS

/s/ Zachariah Larson, Esq.  
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**DECLARATION OF PAUL D. HUYGENS**

I, Paul D. Huygens, declare as follows:

1. I am the Senior Vice President of Special Projects for the above-captioned debtors and debtors in possession (the “Debtors”). I submit this Declaration in support of the *Debtors’ Motion for an Order Establishing Procedures to Sell Non-Core Assets* (the “Motion”).

2. Except as otherwise stated, all facts contained within this Declaration are based upon personal knowledge (albeit my own or that gathered from others within the Debtors’ organization), my review of relevant documents, or my opinion based upon my experience concerning the operations of the Debtors. If called upon to testify, I would testify to the facts set forth in this Declaration.

3. The Debtors own certain excess, unused and/or underutilized assets (the “Non-Core Assets”) that are no longer necessary for the Debtors’ homebuilding operations, including: (a) undeveloped land which the Debtors do not intend to develop; (b) heavy machinery; and (c) various vehicles, equipment and other personal property related to homebuilding activities. In order to generate cash and streamline their operations by discarding assets which are either unproductive or nonessential to their ongoing business operations, the Debtors desire to sell the Non-Core Assets. In order to effect such sales in the most economic manner, the Debtors have determined in their business judgment that it is in the best interests of the estates to establish streamlined sales procedures for the Non-Core Assets. A preliminary, noncomprehensive list of the Non-Core Assets is attached hereto as **Exhibit B**.

4. Sales pursuant to the Motion will be relatively small in comparison to the value of the Debtors’ total assets. Requiring Court approval of each such transaction would be administratively burdensome to the Court and costly to the Debtors’ estates, especially when viewed in the context of the relative size of the transactions. Therefore, in order to minimize the burdens and costs, the Debtors hereby seek the approval of the procedures described herein regarding the sale of Non-Core Assets falling within the described parameters (the “Non-Core Assets Sales Procedures”). The Debtors propose to use the Non-Core Assets Sales Procedures to

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Las Vegas, Nevada 89101  
Tel: (702) 382-1170 Fax: (702) 382-1169



1 obtain more expeditious and cost-effective review by interested parties, in lieu of Court approval,  
2 of the types of transactions described below.

3 5. The Debtors believe that selling the Non-Core Assets in the manner proposed by  
4 the Motion is the most cost-effective way to maximize the value of the Non-Core Assets and will  
5 serve to enhance the value of the estates as well as to provide an accounting of such sales to  
6 parties in interest. The relief requested in the Motion is thus in the best interests of the Debtors'  
7 estates, their creditors and other parties in interest because the proposed procedures are the most  
8 efficient and economical means by which to sell the Non-Core Assets.

9 6. The Debtors submit that the sale of Non-Core Assets is in the ordinary course of  
10 the Debtors' business as a homebuilder. The Debtors have a practice of selling Non-Core Assets  
11 once it becomes clear that it is no longer economically beneficial to own or maintain the Non-  
12 Core Assets.

13 7. The Non-Core Assets Sales Procedures will protect the Debtors against the  
14 declining value of the Non-Core Assets, eliminate maintenance costs, eliminate certain  
15 administrative costs, reduce professional fees, and expedite the sale of the Non-Core Assets for  
16 the benefit of Debtors' estates and creditors. The Debtors believe that the sale of the Non-Core  
17 Assets in accordance with the Non-Core Assets Sale Procedures is the most efficient and cost-  
18 effective way to maximize the value of the Non-Core Assets while protecting the best interests of  
19 Debtors, their estates and their creditors. Accordingly, a sale of the Non-Core Assets in  
20 accordance with the Non-Core Assets Sales Procedures will be a benefit to the Debtors' estates  
21 and their creditors.

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1 I declare under penalty of perjury pursuant to 28 U.S.C. § 1746 that the foregoing is true  
2 and correct to the best of my knowledge, information, and belief.

3 Executed this 3<sup>rd</sup> day of August 2009, at Las Vegas, Nevada.

4  
5 \_\_\_\_\_/s/\_\_\_\_\_  
6 Paul D. Huygens  
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# EXHIBIT A

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Attorneys for Debtors and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEVADA**

In re:

THE RHODES COMPANIES, LLC, aka  
"Rhodes Homes," et al.,<sup>1</sup>

Debtors.

Case No.: 09-14814-LBR  
(Jointly Administered)

Chapter 11

Affects:

- ☒ All Debtors  
☐ Affects the following Debtor(s)

**ORDER ESTABLISHING PROCEDURES TO  
SELL NON-CORE ASSETS [RE DOCKET  
NO. \_\_\_\_]**

Upon consideration of the Debtors' Motion for an Order Establishing Procedures to Sell  
Non-Core Assets [Docket No. \_\_\_\_] (the "Motion") and good cause appearing, it is hereby

ORDERED that the Motion is approved; and it is further

<sup>1</sup> The Debtors in these cases, along with their case numbers are: Heritage Land Company, LLC (Case No. 09-14778); The Rhodes Companies, LLC (Case No. 09-14814); Tribes Holdings, LLC (Case No. 09-14817); Apache Framing, LLC (Case No. 09-14818); Geronimo Plumbing LLC (Case No. 09-14820); Gung-Ho Concrete LLC (Case No. 09-14822); Bravo, Inc. (Case No. 09-14825); Elkhorn Partners, A Nevada Limited Partnership (Case No. 09- 14828); Six Feathers Holdings, LLC (Case No. 09-14833); Elkhorn Investments, Inc. (Case No. 09-14837); Jarupa, LLC (Case No. 09-14839); Rhodes Realty, Inc. (Case No. 09-14841); C & J Holdings, Inc. (Case No. 09-14843); Rhodes Ranch General Partnership (Case No. 09-14844); Rhodes Design and Development Corporation (Case No. 09-14846); Parcel 20 LLC (Case No. 09-14848); Tuscany Acquisitions IV LLC (Case No. 09-14849); Tuscany Acquisitions III LLC (Case No. 09-14850); Tuscany Acquisitions II, LLC (Case No. 09-14852); Tuscany Acquisitions, LLC (Case No. 09-14853); Rhodes Ranch Golf Country Club, LLC (Case No. 09-14854); Overflow, LP (Case No. 09-14856); Wallboard, LP (Case No. 09-14858); Jackknife, LP (Case No. 09-14860); Batcave, LP (Case No. 09-14861); Chalkline, LP (Case No. 09-14862); Glynda, LP (Case No. 09-14865); Tick, LP (Case No. 09-14866); Rhodes Arizona Properties, LLC (Case No. 09-14868); Rhodes Homes Arizona, LLC (Case No. 09- 14882); Tuscany Golf Country Club, LLC (Case No. 09-14884); and Pinnacle Grading, LLC (Case No. 09-14887).

1           ORDERED that the Debtors shall be permitted to sell the Non-Core Assets, as defined in the  
2 Motion, subject to the Non-Core Assets Sale Procedures outlined in the Motion.

3  
4 Dated: \_\_\_\_\_, 2009

5  
6 \_\_\_\_\_  
UNITED STATES BANKRUPTCY JUDGE

7 APPROVED AS TO FORM AND CONTENT:  
8 DATED this \_\_\_\_ day of August 2009.

9  
10 By: \_\_\_\_\_  
UNITED STATES TRUSTEE  
11 August Landis  
Office of the United States Trustee  
12 300 Las Vegas Blvd. S., Ste. 4300  
Las Vegas, NV 89101

13  
14 Submitted by:  
DATED this \_\_\_\_ day of August 2009.

15 By: \_\_\_\_\_  
16 LARSON & STEPHENS  
Zachariah Larson, Esq. (NV Bar No 7787)  
17 Kyle O. Stephens, Esq. (NV Bar No. 7928)  
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19 (702) 382-1169  
20 zlarson@lslawnv.com  
*Attorney for Debtor*

# EXHIBIT B



**Nevada - List of Non-Core Assets to Sell**  
**8/3/2009**

<b>State</b>	<b>Owner</b>	<b>Category</b>	<b>Description</b>	<b>APN</b>
NV	Tuscany Acquisitions LLC	Real Estate	Tuscany Commercial Site	160-32-410-001
NV	Wallboard	Real Estate	Tavern site - Ft Apache and Post	163-31-801-026
NV	Wallboard	Real Estate	Tavern site - Grand Canyon and Sunset	176-06-501-017

<b>State</b>	<b>Owner</b>	<b>Category</b>	<b>Vin #</b>	<b>Lic. Plate</b>	<b>Description</b>
NV	Rhodes Design & Development	Auto - Van	1GCFG15X541215665	400RXP	2004 Chevy Van
NV	Rhodes Design & Development	Auto - Van	1GCFG15X541214838	390RXP	2004 Chevy Van
NV	Rhodes Design & Development	Auto - Van	1GCFG15XX41216049	392RXP	2004 Chevy Van
NV	Rhodes Design & Development	Auto - Van	1GCEG15X541118431	389RXP	2004 Chevy Van
NV	Rhodes Design & Development	Auto - Van	1GCEG15X541111530	391RXP	2004 Chevy Van
NV	Rhodes Design & Development	Auto - Van	1GCEG15X441216306	393RXP	2004 Chevy Van
NV	Arapahoe Cleaning	Auto - Van	1GAGG25V241109344	008SDC	2004 Chevy Van
NV	Rhodes Ranch General Partnership	Auto-Water Truck	1FDNR72C5VVA20598		Water Truck
NV	Rhodes Design & Development	Auto - Truck	1GCCS149278111523	399TWX	2007 Chevy
NV	Rhodes Design & Development	Auto - Truck		669TGH	2006 Chevy
NV	Rhodes Design & Development	Auto - Truck	1GCEC14XX32Z298390	177RBK	2003 Chevy
NV	Rhodes Design & Development	Auto - Truck	1GCEC19X36Z142754	596TBL	2005 Chevy
NV	Rhodes Design & Development	Auto - Truck	1GCEC19X66Z164909	322TGB	2006 Chevy
NV	Rhodes Design & Development	Auto - Truck	1GCEC14X54Z26477	344RVV	2004 Chevy
NV	Rhodes Design & Development	Auto - Sedan	WDBUF70J53A181188	605PVS	2003 Mercedes

<b>State</b>	<b>Owner</b>	<b>Category</b>
NV	Various (primarily RDD)	Miscellaneous Office Equipment

**Arizona - List of Non-Core Assets to Sell**  
**8/3/2009**

State	Owner	Asset Description	Acquisition Date
AZ	Pinnacle Grading	Caterpillar 651B Scraper Parts	3/1/2006
AZ	Pinnacle Grading	Motor Scraper - CAT 651B - 651-01 110-001	3/1/2006
AZ	Pinnacle Grading	Motor Scraper - CAT 651B - 651-02 110-002	3/1/2006
AZ	Pinnacle Grading	Motor Scraper - CAT 651B - 651-03 110-003	3/1/2006
AZ	Pinnacle Grading	Motor Scraper - CAT 651B - 651-04 110-004	3/1/2006
AZ	Pinnacle Grading	Motor Scraper - CAT 651B - 651-07 110-007	3/1/2006
AZ	Pinnacle Grading	Motor Scraper - CAT 651B - 651-08 110-008	3/1/2006
AZ	Pinnacle Grading	Caterpillar 651B Parts	3/1/2006
AZ	Pinnacle Grading	Motor Scraper - 651B - 651-10 110-010	3/1/2006
AZ	Pinnacle Grading	Motor Scraper - CAT 651B - 651-11 110-011	3/1/2006
AZ	Pinnacle Grading	Motor Scraper - CAT 651B - 651-12 110-012	3/1/2006
AZ	Pinnacle Grading	Motor Scraper - CAT 651B - 651-13 110-013	3/1/2006
AZ	Pinnacle Grading	Motor Scraper - CAT 651B - 651-14 110-014	3/1/2006
AZ	Pinnacle Grading	Motor Scraper - CAT 651B - 651-15 110-015	3/1/2006
AZ	Pinnacle Grading	Motor Scraper - CAT 651B - 651-17 110-017	3/1/2006
AZ	Pinnacle Grading	Motor Scraper - CAT 651B - 651-18 110-018	3/1/2006
AZ	Pinnacle Grading	Motor Scraper - CAT 651B - 651-19 110-019	3/1/2006
AZ	Pinnacle Grading	Motor Scraper - 651B - 651-20 110-020	3/1/2006
AZ	Pinnacle Grading	Motor Scraper - CAT 651B - 651-21 110-021	3/1/2006
AZ	Pinnacle Grading	Motor Scraper - 651B - 651-22 110-022	3/1/2006
AZ	Pinnacle Grading	Engine for 651 Scraper	8/28/2006
AZ	Pinnacle Grading	Engine for 651 Scraper. Rebuilt and inserted into 110-019 on 2/12/2007	2/12/2007
AZ	Pinnacle Grading	Engine for 651 Scraper	8/10/2006
AZ	Pinnacle Grading	Engine for 651 Scraper	8/28/2006
AZ	Pinnacle Grading	Engine for 651 Scraper	5/25/2006
AZ	Pinnacle Grading	Engine for 651 Scraper	8/28/2006
AZ	Pinnacle Grading	Engine for 651 Scraper	11/29/2006
AZ	Pinnacle Grading	Engine for Caterpillar 651 Scraper	8/18/2006
AZ	Pinnacle Grading	Engine for 651 Scraper	8/31/2006
AZ	Pinnacle Grading	Engine for Caterpillar 651 Scraper	11/30/2006
AZ	Pinnacle Grading	Engine for 651 Scraper	9/15/2006
AZ	Pinnacle Grading	Transmission for 651 Scraper	8/31/2006
AZ	Pinnacle Grading	Transmission for 651 scraper	1/2/2007

AZ	Pinnacle Grading	Transmission for 651 Scraper	11/29/2006
AZ	Pinnacle Grading	Transmission for 651 Scraper	10/26/2006
AZ	Pinnacle Grading	Transmission for 651 Scraper	1/9/2007
AZ	Pinnacle Grading	Transmission for 651 Scraper	1/31/2007
AZ	Pinnacle Grading	Tranmission for 651 Scraper	8/30/2006
AZ	Pinnacle Grading	Transmission for Caterpillar Scraper Model 651	3/28/2007
AZ	Pinnacle Grading	Transmission for 651 Scraper	8/18/2006
AZ	Pinnacle Grading	Transmisison for 651 Scraper	9/26/2006
AZ	Pinnacle Grading	Tranmission for 651 scraper	8/30/2006
AZ	Pinnacle Grading	Hitch for Caterpillar Series 651 Scraper	2/1/2007
AZ	Pinnacle Grading	Hitch for Caterpillar 651 Scraper	8/31/2006
AZ	Pinnacle Grading	Hitch for Caterpillar Series 651 Scraper	2/1/2007
AZ	Pinnacle Grading	Hitch for Caterpillar 651 Scraper	1/30/2007
AZ	Pinnacle Grading	Hitch for Caterpillar 651 Scraper	1/30/2007
AZ	Pinnacle Grading	Hitch for Caterpillar Scraper Model 651	3/15/2007
AZ	Pinnacle Grading	Hitch for Caterpillar 651 Scraper	9/27/2006
AZ	Pinnacle Grading	Hoist Cylinder for Cat 651 Scraper	9/28/2007
AZ	Pinnacle Grading	Drop box for Caterpillar 651	2/1/2007
AZ	Pinnacle Grading	Drop Box for 651 scraper	1/26/2007
AZ	Pinnacle Grading	Radiator, complete for Cat Model 651 scraper	4/25/2007
AZ	Pinnacle Grading	Radiator for Caterpillar Series 651 Scraper	2/1/2007
AZ	Pinnacle Grading	Radiator for Caterpillar Scraper Model 651	3/28/2007
AZ	Pinnacle Grading	Hydraulic Pump for Caterpillar Scraper Model 651	3/26/2007
AZ	Pinnacle Grading	Ejector for Caterpillar Model 651 Scraper	3/13/2007
AZ	Pinnacle Grading	Ejector for Caterpillar Model 651 Scrapper	2/1/2007
AZ	Pinnacle Grading	Ejector for Cat Model 651 Scraper	4/19/2007
AZ	Pinnacle Grading	C Dozer - CAT D9L - 9L-03	3/1/2006
AZ	Pinnacle Grading	C Dozer - CAT D9L - DL-04	3/1/2006
AZ	Pinnacle Grading	Rockbuster Ripper for D-9 Dozer	1/10/2008
AZ	Pinnacle Grading	CAT D11N - D11-01	3/1/2006
AZ	Pinnacle Grading	C Dozer - CAT D10N - ION - 05	3/1/2006
AZ	Pinnacle Grading	C Dozer - CAT D10N - ION 9	3/1/2006
AZ	Pinnacle Grading	Rebuild of D11 Undercarriage	8/31/2007
AZ	Pinnacle Grading	Track Guards, complete for Cat D11N Track Dozer	9/28/2007
AZ	Pinnacle Grading	Tracks Set for D10N Dozer	5/21/2006
AZ	Pinnacle Grading	Bell Model 4206B Tractor	12/28/2006
AZ	Pinnacle Grading	Rubber Track set complete for Challenger tractor	4/9/2007
AZ	Pinnacle Grading	Wheeled Dozer - CAT 834 B - 834-01A 280-001	3/1/2006

AZ	Pinnacle Grading	Wheeled Dozer - CAT 834 B - 834-02 280-002	3/1/2006
AZ	Pinnacle Grading	Wheeled Dozer - CAT 834 B - 834-03 280-003	3/1/2006
AZ	Pinnacle Grading	Engine for 834B RTD	9/26/2006
AZ	Pinnacle Grading	Engine for 834 RTD	8/31/2006
AZ	Pinnacle Grading	Engine for 834 RTD	10/5/2006
AZ	Pinnacle Grading	Transmission for 834 RTD	11/21/2006
AZ	Pinnacle Grading	Transmission rebuild complete for Cat 834 RTD	11/16/2007
AZ	Pinnacle Grading	Transmission for 834 RTD	10/18/2006
AZ	Pinnacle Grading	Complete rebuild of Caterpillar Model 834 RTD	2/1/2007
AZ	Pinnacle Grading	Bee Gee Plane	9/14/2006
AZ	Pinnacle Grading	New Bee Gee	6/28/2006
AZ	Pinnacle Grading	631-001 Water Pull	3/1/2006
AZ	Pinnacle Grading	Transmission for 631 Water Pull	11/14/2006
AZ	Pinnacle Grading	Retarder for 631 Water Puller	8/16/2006
AZ	Pinnacle Grading	Waterpull - CAT 651B - 651-28 360-028	3/1/2006
AZ	Pinnacle Grading	Engine for 651 Water Puller	11/10/2006
AZ	Pinnacle Grading	Air Conditioning unit for Cat water wagon Model 621	11/16/2007
AZ	Pinnacle Grading	Hydraulic Excavator - CAT 345BL 11 - 345-01 410-001	3/1/2006
AZ	Pinnacle Grading	Cat Motor Grader - 16G	5/5/2006
AZ	Pinnacle Grading	Cat Motor Grader 14H	5/5/2006
AZ	Pinnacle Grading	97 Chevy Mechanics Truck - MT 01 610-001	3/1/2006
AZ	Pinnacle Grading	98 Chevy Mechanics Truck - MT 02 610-002	3/1/2006
AZ	Pinnacle Grading	02 Peterbilt Mechanics Truck - MT 03 610-003	3/1/2006
AZ	Pinnacle Grading	02 Ford F650 Mechanics Truck - MT 04 610-004	3/1/2006
AZ	Pinnacle Grading	02 Ford F650 Mechanics Truck - MT 05 610-005	3/1/2006
AZ	Pinnacle Grading	96 Chevy Mechanics Truck - MT 06 610-006	3/1/2006
AZ	Pinnacle Grading	2004 Chevy P/U - 3123	6/30/2006
AZ	Pinnacle Grading	F250 2005 Regular Cab	3/1/2006
AZ	Pinnacle Grading	Ford F150 for Jimmy	3/31/2006
AZ	Pinnacle Grading	F250 Diesel for Foremen	9/5/2006
AZ	Pinnacle Grading	2003 Ford F250	9/15/2006
AZ	Pinnacle Grading	Ford F250 Super Cab Gas Powered Pickup	12/12/2006
AZ	Pinnacle Grading	2005 Chevrolet Silverado Reg Cab 2 whl drive	12/31/2007
AZ	Pinnacle Grading	2005 Chevrolet Silverado Reg Cab 2 whl drive	12/31/2007
AZ	Pinnacle Grading	IMT Model 3203I 10,000 Lb Crane Rebuild	8/3/2007
AZ	Pinnacle Grading	Rebuild of IMT Crane controls and compressor for 610-003 service truck	8/26/2007
AZ	Pinnacle Grading	10,000 lb crane control and compressor rebuild	8/27/2007
AZ	Pinnacle Grading	1984 Kenworth Lube Truck - LT 03 650-001	3/1/2006

[illegible]

AZ	Pinnacle Grading	37.5 x 39 Tire for 651 Scraper	3/8/2006
AZ	Pinnacle Grading	37.5 x 39 Tire for 651 Scraper	3/8/2006
AZ	Pinnacle Grading	37.5 x 39 Tire for 651 Scraper	3/8/2006
AZ	Pinnacle Grading	37.5 x 39 Tire for 651 Scraper	3/8/2006
AZ	Pinnacle Grading	37.5 x 39 Tire for 651 Scraper	4/17/2006
AZ	Pinnacle Grading	37.5 x 39 Tire for 651 Scraper	4/17/2006
AZ	Pinnacle Grading	37.5 x 39 Tire for 651 Scraper	5/16/2006
AZ	Pinnacle Grading	37.5 x 39 Tire for 651 Scraper	5/16/2006
AZ	Pinnacle Grading	37.5 x 39 Tire for 651 Scraper	5/16/2006
AZ	Pinnacle Grading	37.5 x 39 Tire for 651 Scraper	5/16/2006
AZ	Pinnacle Grading	35/65 33 Tire for 834B RTD	11/1/2006
AZ	Pinnacle Grading	35/65 33 Tire for 834B RTD	11/1/2006
AZ	Pinnacle Grading	35/65 33 Tire for 834B RTD	11/1/2006
AZ	Pinnacle Grading	35/65 33 Tire for 834B RTD	11/1/2006
AZ	Pinnacle Grading	35/65 33 Tire for 834B RTD	11/1/2006
AZ	Pinnacle Grading	35/65 33 Tire for 834B RTD	7/24/2006
AZ	Pinnacle Grading	35/65 33 Tire for 834B RTD	7/24/2006
AZ	Pinnacle Grading	Tire 35/65 33" for Caterpillar 834B	2/1/2007
AZ	Pinnacle Grading	Tire 35/65 33" for Caterpillar 834B	2/1/2007
AZ	Pinnacle Grading	Tire 35/65 33" for Caterpillar Model 834B	2/1/2007
AZ	Pinnacle Grading	Tire 35/65 33" for Caterpillar 834B Rubber Tire Loader	2/1/2007
AZ	Pinnacle Grading	33.25.29 Tire for 14G Grader	11/1/2006
AZ	Pinnacle Grading	33.25.29 Tire for 14G Grader	4/6/2006
AZ	Pinnacle Grading	33.25.29 Tire for 14G Grader	4/6/2006
AZ	Pinnacle Grading	20.5 x 25 inch tires for 520-001 14G Grader	10/1/2007
AZ	Pinnacle Grading	20.5 x 25 inch tires for 520-001 14G Grader	10/1/2007
AZ	Pinnacle Grading	20.5 x 25 inch tires for 520-001 14G Grader	10/1/2007
AZ	Pinnacle Grading	20.5 x 25 inch tires for 520-001 14G Grader	10/1/2007
AZ	Pinnacle Grading	20.5 x 25 inch tires for 520-001 14G Grader	10/1/2007
AZ	Pinnacle Grading	20.5 x 25 inch tires for 520-001 14G Grader	10/1/2007
AZ	Pinnacle Grading	425/65R-22.5 tires for 2005 Peterbuilt	10/3/2007
AZ	Pinnacle Grading	425/65R-22.5 tires for 2005 Peterbuilt	10/3/2007
AZ	Pinnacle Grading	GPS Unit Single Mast	7/12/2006
AZ	Pinnacle Grading	GPS Unit for D8 Dozer	7/12/2006
AZ	Pinnacle Grading	Light Tower 1 - 62766	8/5/2006
AZ	Pinnacle Grading	Light Tower 2 - 62760	8/2/2006
AZ	Pinnacle Grading	Light Tower 3 - 62784	8/5/2006
AZ	Pinnacle Grading	Light Tower 4 - 62761	8/5/2006
AZ	Pinnacle Grading	Light Tower 5 - 62765	8/5/2006

AZ	Pinnacle Grading	Light Tower 6 - 62768	8/5/2006
AZ	Pinnacle Grading	Light Tower 7 - 62758	8/5/2006
AZ	Pinnacle Grading	Light Tower 9 - 62759	8/5/2006
AZ	Pinnacle Grading	Light Tower 10 - 62767	8/5/2006
AZ	Pinnacle Grading	Light Tower 11 - 62764	8/5/2006
AZ	Pinnacle Grading	Ingersoll Rand KTA-1150G Gen Set Complete	8/1/2007
AZ	Pinnacle Grading	Radiator for Ingersoll Rand KTA-1150G Gen-set	8/9/2007
AZ	Pinnacle Grading	Tires for Ingersoll Rand KTA-1150G Gen-set	8/31/2007
AZ	Pinnacle Grading	Hotsy Pressure Washer diesel-powered, liquid cooled 2500 psi system	3/27/2007
AZ	Pinnacle Grading	Trailer - Freuhauf Parts - FP 01 890-001	3/1/2006
AZ	Pinnacle Grading	Cozad 60-ton Lowboy Trailer	5/5/2007
AZ	Pinnacle Grading	2004 Cozad Nine Axle Trailer	8/1/2007
AZ	Pinnacle Grading	Air Compressor for New Shop	11/17/2006
AZ	Pinnacle Grading	Agtek Modeling Software	1/12/2007
AZ	Pinnacle Grading	Nordberg Rock Crusher, complete	8/1/2007
AZ	Pinnacle Grading	Eight Tires and Rims for Nordberg Rock Crusher	8/31/2007
AZ	Pinnacle Grading	Engine and Transmission	3/1/2006
AZ	Pinnacle Grading	Computer HP XW 4400 PROMOWINXP1.86GHZ1G	2/8/2007
AZ	Pinnacle Grading	Computer HP XW4400 PROMOWINXP1.86GHZ1G	2/8/2007
AZ	Pinnacle Grading	Rollup Digitizer	7/3/2007
AZ	Pinnacle Grading	Hewlett Packard Model 1906 Engineering Computer	8/5/2007
AZ	Pinnacle Grading	Pump System	9/27/2006
AZ	Pinnacle Grading	Capitalized Parts for Scrapers	3/1/2006
AZ	Pinnacle Grading	Ford F-350 Truck	1/23/2009
AZ	Rhodes Homes Arizona	2007 Chevy Colorado Truck VIN #1GCCS149378109019	10/1/2006
AZ	Rhodes Homes Arizona	2003 Int'l Model 4700 Water Truck VIN 1HSSCAAN6VH451398	1/8/2007